

Chapter 6 **Maintaining Parent-Child Assets**

Chapter Overview

Some assets need to stand alone while others are grouped for ease of processing and reporting. Parent - child assets are assets that are grouped together. For example, a computer is really a number of different assets – a monitor, a CPU, a keyboard, a printer – tracked as one asset. In PeopleSoft Asset Management you can add this type of asset in several different ways, depending on your business operations.

Chapter Objectives

By the end of this lesson, you will be able to:

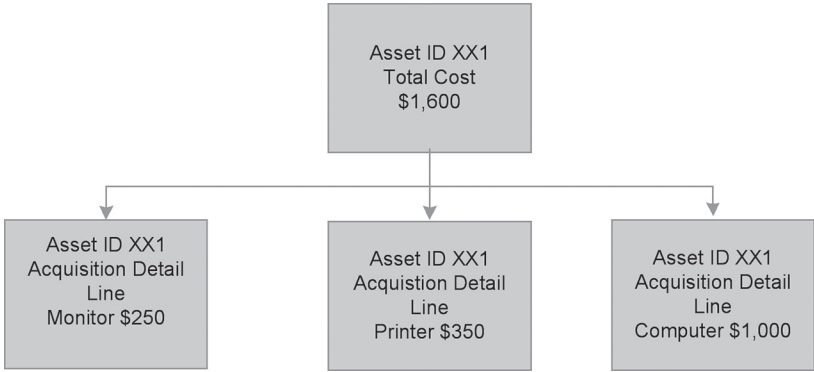
- Define parent and child asset relationships
- Add parent-child component assets
- Add a parent asset as a reporting umbrella
- Retire parent-child assets

6.1

Defining Parent-Child Relationships

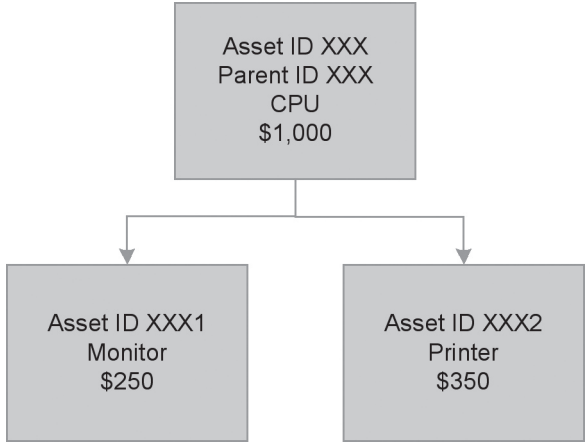
PeopleSoft Asset Management provides three different methods for grouping assets to create parent-child asset relationships:

- Add components as a single asset with acquisition detail lines
- Designate one component as the parent asset
- Create a reporting umbrella



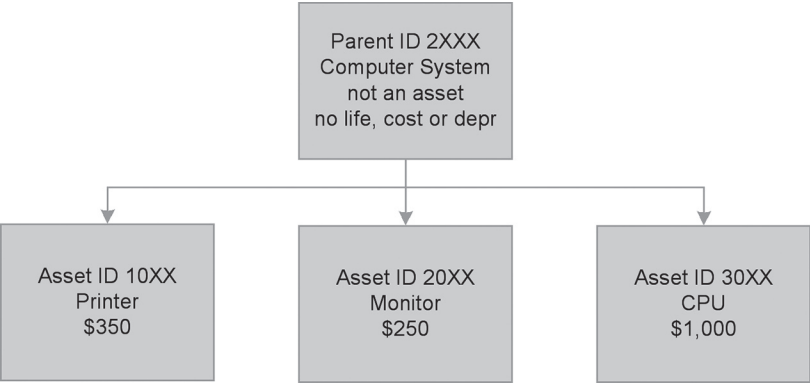
AMD12 Component assets treated as single asset

You can add the computer as a single asset with separate acquisition lines. This will capitalize the asset with one cost, depreciate it as a single unit, and physically track it as one item.



AMD13 CPU component treated as parent asset.

You can designate one of the asset’s components as the parent (also known as a component asset) when you enter it into the system. You give it an Asset ID (which becomes the Parent ID), and use the Parent ID to link together the other components you designate as child assets. Each component has its own cost basis, depreciation, and physical tracking information.



AMD14 Non-asset umbrella treated as parent.

Create a parent that exists as only a Parent ID and link together the various component child assets. Asset Management calls this a parent only asset. Each component asset has its own cost basis, depreciation, and physical tracking information; however, the Parent has no cost or depreciation associated with it directly; it exists in name only.

Adding Parent-Child Component Assets

You can add parent and child assets through Basic Add or Express Add.

Before you designate a child asset of a parent, you must first have designated the parent asset.

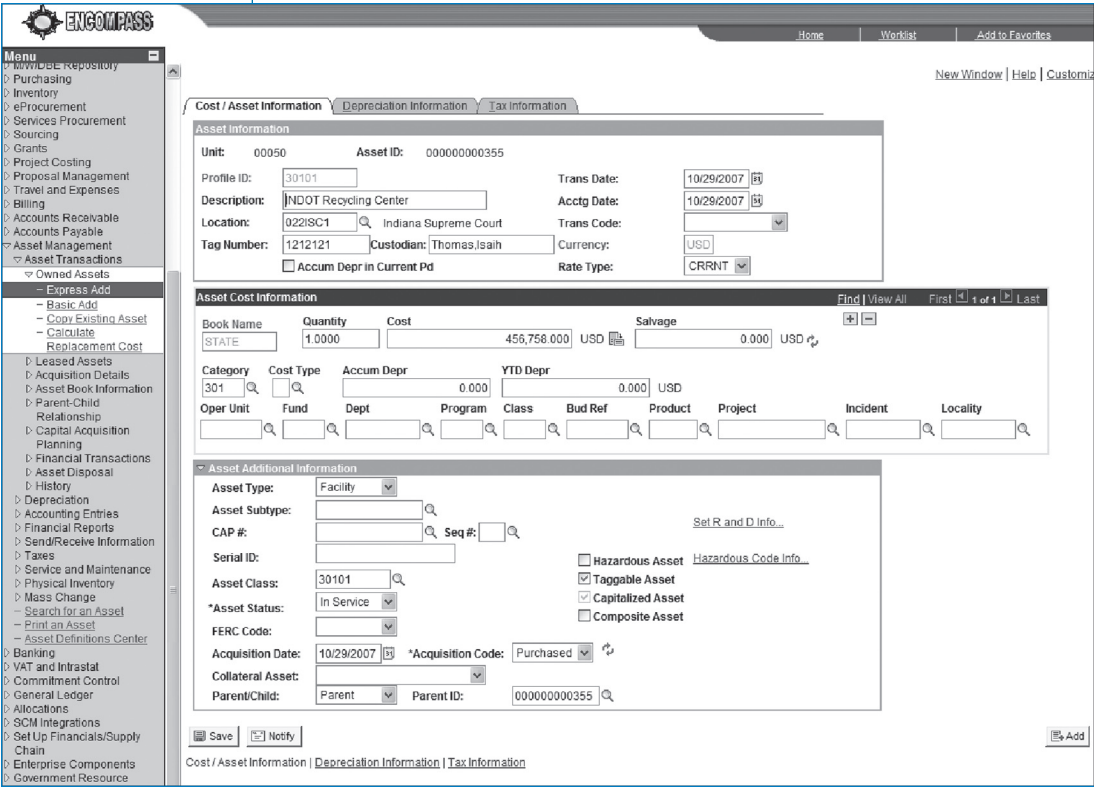
Use the Parent/Child drop down box to designate an asset as Parent, Child, or None. The drop down list is located in the Asset Additional Information group box on the Cost / Asset Information page in the Express Add component, and near the bottom of the Asset Information page in the Basic Add component.

How to Get There

Use this page to designate an asset as a parent or child asset using Express Add:

Navigation

Asset Management >> Asset Transactions >> Owned Assets >> Express Add



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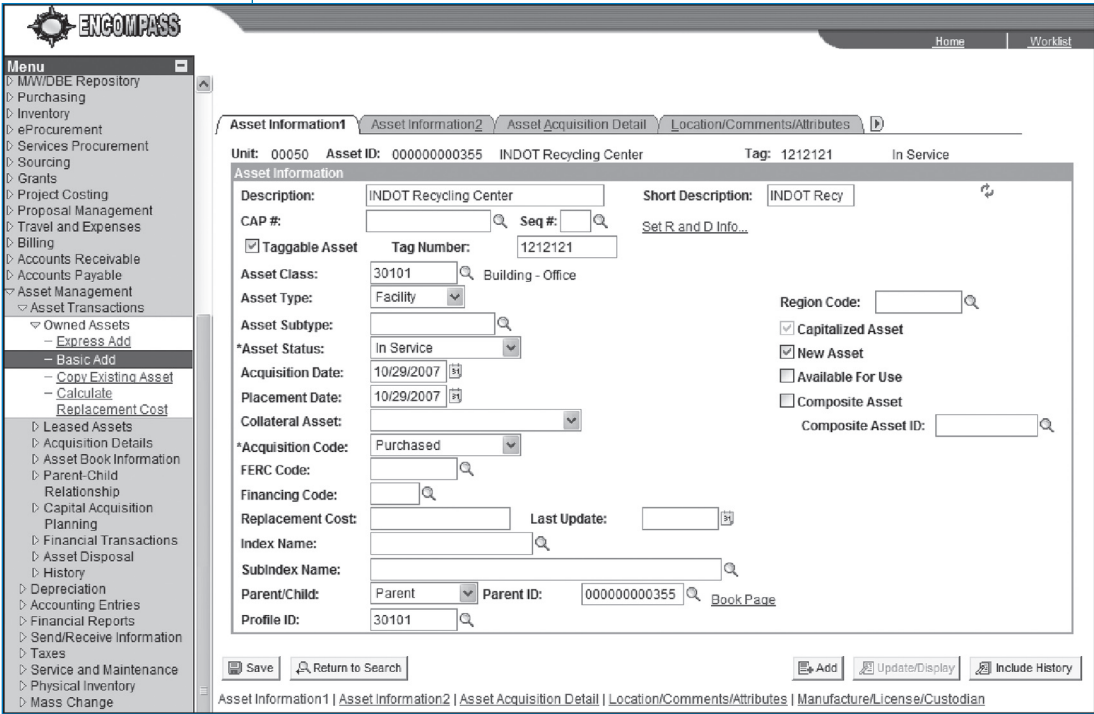
Express Add page

How to Get There

Use this page to designate an asset as a parent or child asset:

Navigation

Asset Management >> Asset Transactions >> Owned Assets >> Basic Add



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Basic Add page

When you are working with parent and child component assets, all of the child assets will have their own cost basis and depreciation attributes independent of the parent asset. As the child's asset life may be different from that of the parent asset, you can specify that a new child asset of a parent component asset inherit the remaining life of the parent asset.

For example, a car is being depreciated using a five-year life. After two years, a satellite radio is added as a child asset to the car (parent asset). You can have the satellite radio depreciate over the remaining depreciable life of the car, three years. The child asset then takes on the remaining life of the parent component asset. You can also override the child's asset life with a different life, if necessary.

Adding Parent-child Continued

Before you can use the Child Inherits Life feature, you will need to make sure that you have selected the Child Inherits Parent’s Life option at two levels:

To add a parent component asset:

Select Parent from the Parent/Child drop down list.

To add a child component asset:

Select Child from the Parent/Child drop down list. Selecting Child will cause the Parent ID field to display. Select the appropriate parent for the child asset you are adding.

- On the Asset Management page of the Installation Options component, and
- On the Business Unit/Book Definition page of the Asset Management Business Unit Definition component.

To use the Child Inherits Parent’s Life feature:

Add the child asset using the Cost/ Asset Information page of the Asset ExpressAdd Component. Enter the cost.

Select the Profile ID. Click the Default Profile button to capitalize the asset and create all of the corresponding asset books.

Click Yes to the prompt “Do you want the system to recalculate the Book’s Asset Life based on the Parent’s Remaining Life?” PeopleSoft Asset Management will recalculate the Book’s Asset Life based on the remaining life of the Parent asset.

Move to the Depreciation page and click the Default Parent’s Life.

The Default Parent’s Depr Attributes page displays. The Parent Depreciation Attributes section of the page shows the asset life information for the parent asset. The Child Depreciation Attributes section shows the asset life information for the child asset that PeopleSoft Asset Management calculates from the remaining life of the parent asset. Examine the calculated remaining life information. Either accept this remaining life for the child asset or change it by entering a New Life.

Adding a Parent Asset as a Reporting Umbrella

Use the Asset Parent page to add a Parent ID that will be used only as a reporting umbrella for child assets.

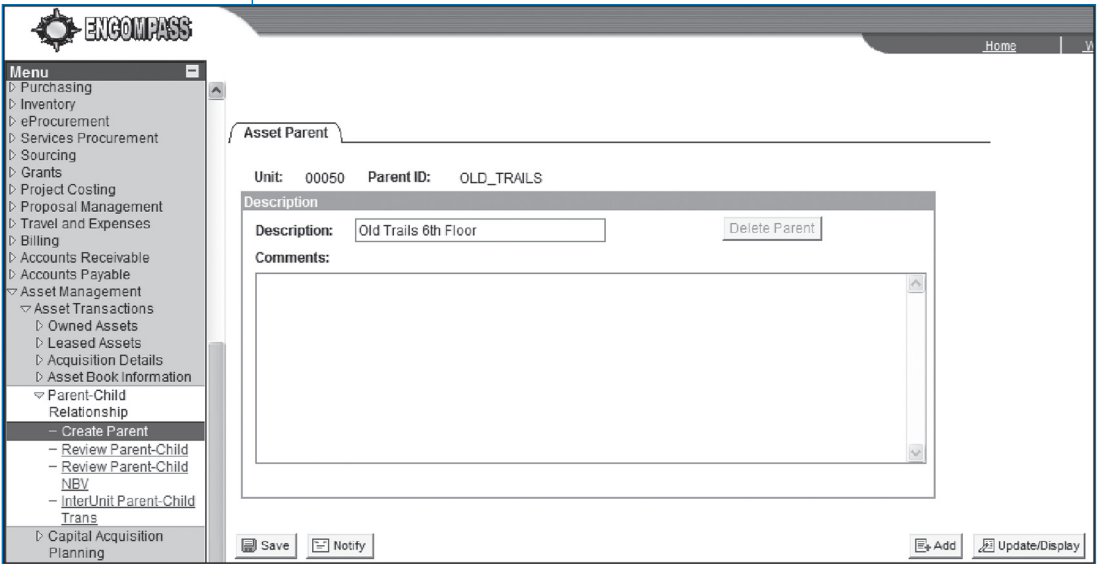
For a parent asset that has already been created, use the Asset Parent page to add comments about it, delete it, or to hyperlink to a list of all its child assets.

How to Get There

Use this page to add a reporting umbrella asset:

Navigation

Asset Management >> Asset Transactions >> Parent-Child Relationship >> Create Parent



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Asset Parent page

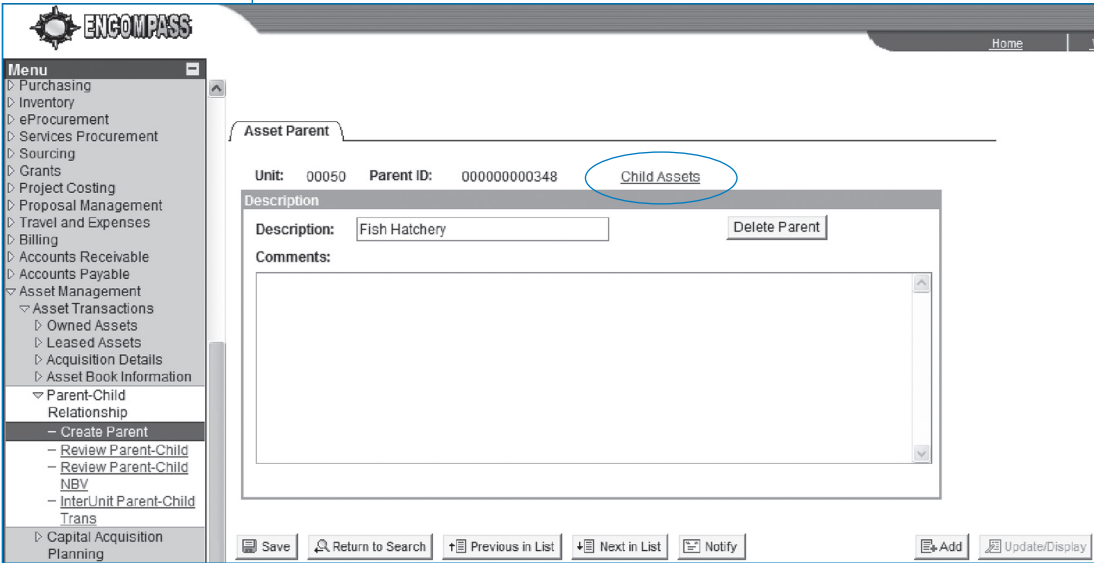
The Parent ID is not system generated. Enter a Parent ID that describes the assets this umbrella will cover. This asset will be used only as an umbrella asset, therefore it will not be possible to add cost or depreciation attributes.

How to Get There

Use this page to view the child assets that are associated with a particular parent asset:

Navigation

Asset Management >> Asset Transactions >> Parent-Child Relationship >> Create Parent



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The following Child Assets are related to this Parent Asset

Customize Find First 1-2 of 2 Last			
Tag Number	Description	Child Asset ID	Asset Status
1 1212112	Fish Hatchery	000000000349	In Service
2 1212	Fish Hatchery	000000000350	In Service

Return

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Child Assets All page

Adding an Umbrella Parent Continued

Parent Assets created on the Asset Parent page cannot have associated physical characteristics or costs. Therefore, you will not be able to view them through the Parent Child Basic Information component. Also, you will not be able to view or transact against them in the Asset Cost Adjust/Transfers component or the Asset Retirements component. You can view them on the Inquire – Parent and Child Assets page.

Enter a *Description* and any comments about the child assets you will group under it.

Click Child Assets to open a page where you can view all child assets related to this parent.

Scroll through the child assets to review basic information about them, including Tag Number, Description, Child Asset ID, and Asset Status. You cannot add or update information here.

Click Return Child Assets All page to return to the Parent Assets page.

Guided Activity | Adding Parent and Child Assets

In this activity, you will review the activity overview and add parent and child assets.

Activity Overview

The AOS Agency (00050) is the recipient of new Rest Area Building in Evansville, Indiana, which has been donated by the local Lions club. In addition to the Rest Area Building, there were two additional smaller buildings donated. One building is for Vending Machines and the other for the Recycling Center. AOS would like to treat the Rest Area Building as the parent asset and the remaining buildings as the children.

Use the Rest Area Building Profile ID (30107) for each of the new assets and assign each asset to Location DOR15EVN (DO Evansville) for the 00050 business unit. Michael Jordan is the custodian for these assets. Use the information in the following table to add the parent asset and child assets:

Page Element	Value or Status	Value or Status	Value or Status
Description	Rest Area Building - Evansville	Rest Area Building- Vending	Rest Area Building - Recycle Center
Quantity	1	2	1
Cost	250,000.00	7,500.00	1,400.00
Transaction Date	Current Date minus two months	Current Date	Current Date
Accounting Date	Current Date minus one month	Current Date	Current Date

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Adding Parent and Child Assets

To add parent and child assets:

- 1 Select Asset Management >> Asset Transactions >> Owned Assets >> Express Add.
- 2 Add a new value for the Business Unit and Asset Identification *NEXT*.
- 3 Click *Add*.

- 4 Enter the following information:

Page Element	Value or Status
Profile ID	30107 – Rest Area Building
Description	Rest Area Building – Evansville
Location	DO15EVN – DO Evansville
Transaction Date	Current Date minus two months
Accounting Date	Current Date minus one months
Quantity	1
Cost	250,000.00
Custodian	Jordan,Michael

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- 5 Designate the Inventory Computer as a parent asset by selecting Parent from the Parent/Child drop down list located in the Asset Additional Information group box.
- 6 Click the Default Profile button.
- 7 Click *Save*. Note the Asset / Parent ID: _____
- 8 Click *Add*.
- 9 Add a new value for the Business Unit *00050* and Asset Identification *NEXT*.
- 10 Click *Add*.
- 11 Enter the following information:

Page Element	Value or Status
Profile ID	30107 – Rest Area Building
Description	Rest Area Building – Vending
Location	DO15EVN – DO Evansville
Transaction Date	Current Date
Accounting Date	Current Date
Quantity	2
Cost	7,500.00
Custodian	Jordan,Michael

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- Designate the Rest Area Building Vending as a child asset by selecting Child from the Parent/Child drop down list located in the Asset Additional Information group box.
- 13
- Designate the Rest Area Building - Evansville as the parent by selecting the Parent ID designated in step 7.
- 14
- Answer *Yes* when asked whether or not you want the system to recalculate the Book’s asset life based on the parent’s remaining life.
- 15
- Click *OK* to change the STATE book’s asset life to the remaining life of the parent asset.
- 16
- Click the *Default Profile* button.
- 17
- Click *Save*.
- 18
- Click *Add*.
- 19
- Add a new value for the Business Unit *00050* and Asset Identification *NEXT*.
- 20
- Click *Add*.
- 21
- Enter the following information:

Page Element	Value or Status
Profile ID	30107 – Rest Area Building
Description	Rest Area Building Recycle Center
Location	DO15EVN – DO Evansville
Transaction Date	Current Date
Accounting Date	Current Date
Quantity	1
Cost	1,400.00
Custodian	Jordan,Michael

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- Designate the Rest Area Building Vending as a child asset by selecting *Child* from the Parent/Child drop down list located in the Asset Additional Information group box.
- 23
- Designate the Rest Area Building - Evansville as the parent by selecting the Parent ID designated in step 7.
- 24
- Click the *Default Profile* button.
- 25
- Click *Save*.

Retiring Parent-Child Assets

Parent-child assets can be retired several ways:

- Retire the parent and all related child assets
- Retire the parent and some related child assets
- Retire just the child assets
- Retire just some of the child assets

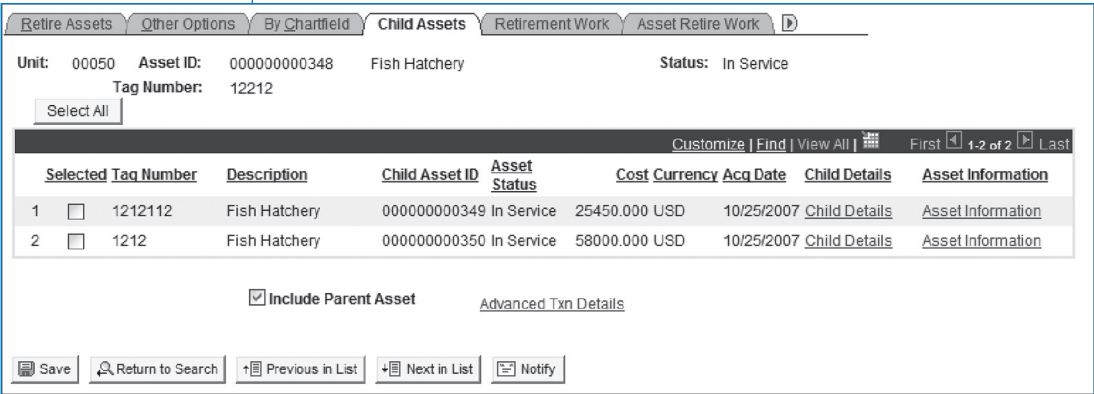
When the asset selected on the Retire Assets page is a parent component, the Child Assets page will be available. Use the Child Assets page to select the child assets to include in the retirement you have initiated for the parent.

How to Get There

Use this page to select the child assets for retirement:

Navigation

Asset Management >> Asset Transactions >> Asset Disposal
>> Retire/Reinstate Asset >> Retire Assets & Child Assets



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Child Assets page

Use the Child Asset Retirement Overrides page to specify retirement overrides for a specific child asset.

Click on **Select All** to include all child assets with the parent in the transaction you have initiated.

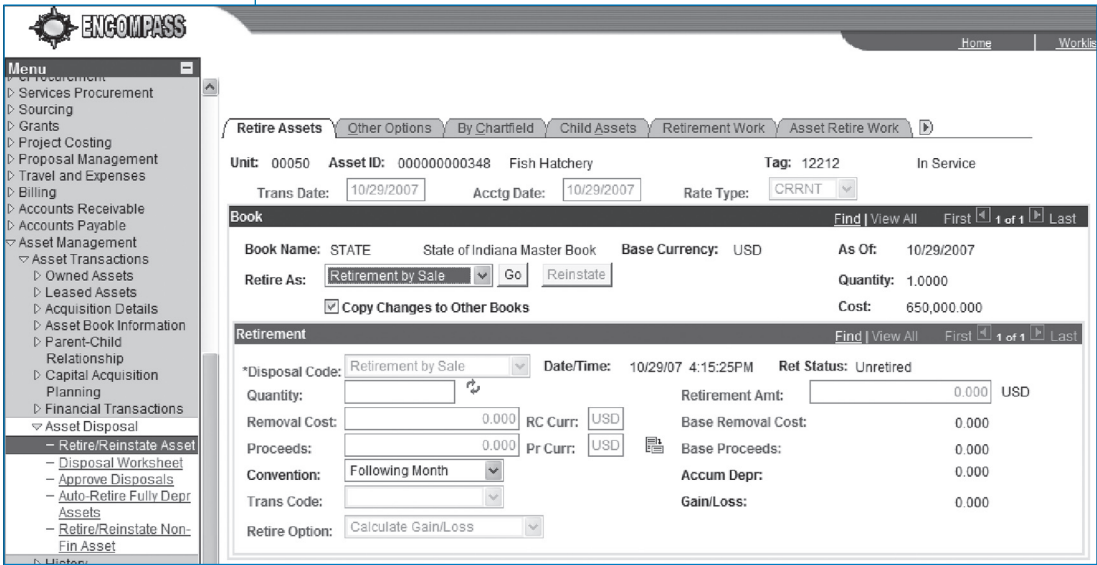
To include only some child assets, select the *Select* check box on the specific rows.

Click the *Child Details* link to access the Child Asset Retirement Overrides page where you can specify overrides for a specific child asset for the transaction.

Click the *Advanced Transaction Details* link to access the Advanced Transaction Details page where you specify overrides that will be applied to all child assets at once.

Click the *Asset Information* link to access another copy of the Retire Assets page. The page will open populated with the child asset.

Include Parent Asset is selected by default. Clearing it enables you to transact at once against all or selected child assets while leaving the parent asset out of the transaction. The transaction details must be specified on the parent.



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Retire Assets page

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Guided Activity | Retiring Parent-Child Assets**Activity Overview**

In this activity, you retire (by sale) the Rest Area Building - Evansville and both the Vending and Recycling building which are the children. Each of these assets is in the 00050 business unit.

Retiring Parent-Child Assets:

To retire a parent-child asset:

- 1** Select Asset Management >> Asset Transactions >> Asset Disposal >> Retire/Reinstate Asset.
- 2** Search the Business Unit *00050* and select the Rest Area Building - Evansville.
- 3** Enter the following information as selection criteria to run the process:

Page Element	Value or Status
Action	Retirement by Sale
Proceeds	375,000.00

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- 4** Click *GO*.
- 5** Access the Child Assets page.
- 6** Select the button to choose both the Vending and Recycle "child" building.
- 7** Click *Save*.
- 8** Click Yes to the message asking if you want to leave the child assets unaffected.